

Example of "Demonstrated Progress on Water Transfers"

Purpose: The CALFED Water Transfer element provides a framework of actions, policies and processes to facilitate and encourage a properly regulated and protective water market which will allow water to move between users, including environmental uses, on a voluntary and compensated basis.

(Note: The water transfer framework is programmatic in nature. It describes actions, policies, and processes, but only in enough detail to convey the direction and general purpose of each. Obviously, more detail needs to be developed prior to successful implementation of this framework. It is envisioned that more detail will be added to some aspects of the framework between this public draft and a finalized Programmatic EIR/S. Development of other aspects will necessarily occur during the months and years after the Programmatic EIR/S is finalized. The "indicators of demonstrated progress" described below are based on this direction but assume the details have been developed prior to their use as "indicators" in Stage 1.)

Indicators of Demonstrated Progress - Stage 1 Criteria

1) **Indicator:** Establish the California Water Transfers Information Clearinghouse to:

- collect and disseminate data and information relating to water transfers and potential transfer impacts;
- perform research using historic data to understand water transfer impacts;
- provide a forum for discussion and comment on proposed transfers.

Purpose: To ensure that decisions regarding proposed water transfers can be made with all parties in possession of complete and accurate information and to provide information to facilitate assessment of potential third party impacts. The Clearinghouse would not function as a market broker, nor would the Clearinghouse operate as a water bank.

2) **Indicator:** CALFED agencies adopt a policy on water transfers that, in addition to existing requirements, all transfer proposals subject to approval by the SWRCB or that depend on access to state/federal conveyance facilities include information, for purposes of public disclosure, regarding potential socio-economic, groundwater, and cumulative impacts at the time of approval by the respective CALFED agency.

Purpose: To ensure that decisions regarding proposed water transfers can be made with all parties in possession of sufficient and accurate information. Impact analysis will be disclosed through the California Water Transfers Information Clearinghouse.

3) Indicator: CALFED agencies adopt a policy that proposals for water transferred from storage include a reservoir refill analysis identifying potential impacts to other legal users of water, and identify appropriate mitigation measures.

Purpose: To ensure that water transfers involving releases from stored water do not cause adverse impacts to other legal users of water.

4) Indicator: DWR and USBR forecast and disclose potential conveyance capacity and probabilities of it being available in the existing state and federal facilities on a monthly basis (in conjunction with water supply forecasts). Forecasts would be based on the best information available to project operators but would not guarantee that the capacity forecasted would be available because of the numerous operating variables including but not limited to: hydrologic conditions, ESA requirements, Delta water quality standards, and physical capacity.

Purpose: To provide transfer proponents more timely forecasts regarding the potential availability of conveyance capacity for cross-Delta water transfers.

5) Indicator: CALFED agency working with stakeholder representatives to define a standardized set of rules on transferable water which would clarify the CALFED agencies' interpretations for quantifying transferrable water. This could include variations for time or locations (i.e., one-year transfers versus multi-year and in-basin versus out-of-basin).

Purpose: To reduce the conflict between transfer proponents and the SWRCB, DWR, or USBR regarding what water is deemed transferrable under what conditions.

6) Indicator: SWRCB adopt methodology to monitor instream transfers and develop associated tracking measures in conjunction with other CALFED agencies.

Purpose: To ensure that water transferred to the environment is available to meet its stated instream purpose throughout the designated reach, while also providing opportunities for those buying water for instream purposes to make it available for re-diversion at given points downstream, if so desired.

Potential Indicators Independent of the CALFED Water Transfer Element that Could be Included:

In addition to the indicators listed above, there are two other indicators that may be useful. These have been developed outside of the CALFED Program but are closely linked to the overall objectives of the Water Transfer Element.

A) Indicator: USBR guidelines on banking both CVP and non-CVP water in the CVP system.

Purpose: Provides a set of rules for banking water in the CVP system. This can provide additional storage (surface and subsurface) opportunities for use in conjunction with water transfers.

B) Indicator: Continuation of the California Drought Water Bank for use during drought emergencies.

Purpose: The Water Bank already exists to facilitate streamlined, efficient and well regulated responses to drought emergencies. The Water Bank serves as a broker, which eliminates the need for individual negotiations between buyers and sellers, standardizes market prices, and increases assurances that market transactions will be successful.